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## LEGISLATIVE HISTORY

Public Law 86-432

H. R. 8649

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## INDEX AND SUMMARY OF H. R. 8649

Aug. 12, 1959	H. R. 8648 was introduced by Rep. Keogh and H. R. 8649 by Rep. King, Calif., which were referred to the House Ways and Means Committee. Print of bills as introduced.
Jan. 27, 1960	House committee voted to report (but did not actually report) H. R. 8649.
Feb. 22, 1960	House committee reported H. R. 8649 with amendments. H. Report No. 1285. Print of bill and report.
Mar. 2, 1960	House passed H. R. 8649 as reported.
Mar. 3, 1960	H. R. 8649 was referred to the Senate Finance Committee.
Apr. 4, 1960	Senate committee voted to report (but did not actually report) H. R. 8649.
Apr. 5, 1960	Senate committee reported H. R. 8649 without amendment. S. Report No. 1233. Print of bill and report.
Apr. 11, 1960	Senate passed H. R. 8649 without amendment.
Apr. 22, 1960	Approved: Public Law 86-432.

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DIGEST OF PUBLIC LAW 86-432

FATS AND OILS TAX SUSPENSION. Continues through June 30, 1963, the suspension of the 3-cents-per-pound processing tax imposed on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.





# H. R. 8648

OF THE HOUSE OF REPRESENTATIVES

IN SENATE

INTRODUCED BY MR. [Name] OF [State]

AND READ TWICE

## A BILL

TO [Title of Bill]

AND COMMITTEE REPORT



86TH CONGRESS  
1ST SESSION

# H. R. 8648

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 12, 1959

Mr. KEOGH introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That (a) section 3 of the Act entitled "An Act to amend  
4       the Tariff Act of 1930 to provide for the temporary free  
5       importation of certain tanning extracts, and to amend the  
6       Internal Revenue Code of 1954 to suspend temporarily  
7       the tax on the processing of coconut oil", approved August  
8       30, 1957 (Public Law 85-235; 71 Stat. 516), is amended

1 by striking out "during the period" and by striking out  
2 "and ending with the close of June 30, 1960".

3 (b) The Act entitled "An Act to suspend temporarily  
4 the tax on processing of palm oil, palm-kernel oil, and fatty  
5 acids, salts, and combinations, or mixtures thereof", approved  
6 May 29, 1959 (Public Law 86-37; 73 Stat. 64), is amended  
7 by striking out "during the period" and by striking out "and  
8 ending with the close of June 30, 1960".



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## A BILL

---

To make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

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By Mr. KEOGH

---

AUGUST 12, 1959

Referred to the Committee on Ways and Means

86TH CONGRESS  
1ST SESSION

# H. R. 8649

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 12, 1959

Mr. KING of California introduced the following bill; which was referred to the Committee on Ways and Means

---

## A BILL

To make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That (a) section 3 of the Act entitled "An Act to amend the  
4       Tariff Act of 1930 to provide for the temporary free im-  
5       portation of certain tanning extracts, and to amend the  
6       Internal Revenue Code of 1954 to suspend temporarily the  
7       tax on the processing of coconut oil", approved August 30,  
8       1957 (Public Law 85-235; 71 Stat. 516), is amended by  
9       striking out "during the period" and by striking out "and  
10      ending with the close of June 30, 1960".



1       (b) The Act entitled "An Act to suspend temporarily  
 2   the tax on processing of palm oil, palm-kernel oil, and fatty  
 3   acids, salts, and combinations, or mixtures thereof", approved  
 4   May 29, 1959 (Public Law 86-37; 73 Stat. 64), is amended  
 5   by striking out "during the period" and by striking out  
 6   "and ending with the close of June 30, 1960".

86TH CONGRESS  
 1ST SESSION

H. R. 8649

## A BILL

To make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

By Mr. KING of California

August 12, 1959

Referred to the Committee on Ways and Means







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
Staff Only)

Issued January 28, 1960  
For actions of January 27, 1960  
86th-2d, No. 14

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HIGHLIGHTS: Sen. Humphrey urged enactment of legislation to increase dairy price supports. Sen. Proxmire and others introduced and Sen. Proxmire discussed bill to increase price support level for dairy products. Sen. Hart introduced and discussed bill to establish experimental food stamp program.

## SENATE

1. DAIRY PRICE SUPPORTS. Sen. Humphrey urged the enactment of legislation to increase price supports for dairy products, contended that per capita milk consumption has decreased and if it had not been for the special milk program and the shipment of nonfat dry milk overseas the "Commodity Credit Corporation would be overwhelmed by dairy products today," and stated that the cost of the special milk program should not be charged as a cost of the price-support program. He inserted a copy of his letter to this Department, the State Department, and ICA stating that he was "shocked by the crisis situation facing American overseas relief programs because of the sudden failure of the Department of Agriculture to supply the voluntary agencies with nonfat dry milk according to planned allocations." pp. 1282-3
2. ECONOMICS; PRICES. Sen. Douglas and others discussed the report of the Joint Economic Committee on employment, growth, and price levels, criticized the economic policies of the administration as being inadequate, and recommended policies to "establish special programs for the rehabilitation of depressed

areas," "reduce subsidies for agriculture and business, and prune wasteful Government activities," and "revise farm policy, including more research to find new uses for farm products." pp. 1247-80

3. RECLAMATION; ELECTRIFICATION. Received from GAO an audit report on the Upper Colorado River Basin water resources development program. p. 1232
4. INTEREST RATES. Sen. Proxmire inserted a Wall Street Journal article stating that there was a greater demand for Treasury short-term securities, and stated that "this means that interest rates will only rise now if the Federal Reserve Board deliberately and artificially tightens money to create a scarcity that will drive up interest rates." p. 1237
5. FOREIGN AID. Sen. Humphrey inserted a resolution received from a veterans' organization urging enactment of legislation to establish a white fleet to send food and other supplies to aid distressed areas abroad. pp. 1281-2

#### HOUSE

6. IMPORTS. The Ways and Means Committee voted to report (but did not actually report) the following bills:
  - H. R. 8649, to make permanent the existing suspension of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations or mixtures thereof, with amendment to provide for a simple 3-year suspension. p. D49
  - H. R. 9308, without amendment, to extend for 3 years the suspension of duty on imports of crude chicory and the reduction in duty on ground chicory. p. D49
  - H. R. 9861, without amendment, to continue for a temporary period the existing suspension of duty on certain istle or Tampico fiber. p. D49
  - H. R. 9881, without amendment, to extend for 2 years the existing provisions of law relating to the free importation of personal and household effects brought into the United States under Government orders. p. D49

The "Daily Digest" states that "The committee agreed that public hearings would be conducted on H. R. 9322 (to make permanent the existing suspension of duties on certain coarse wool) during the latter part of February, the specific date to be announced later." p. D49

7. ELECTRIFICATION. Received the annual report of the Federal Power Commission. p. 1345

#### ITEMS IN APPENDIX

8. SUGAR. Extension of remarks of Sen. Bridges inserting an article commenting on the Cuban events and suggesting that "considering the provocation, there is no reason why the State Department should not suspend the sugar subsidy and quota now accorded to Cuba." pp. A709-10
9. FOOD ADDITIVES. Sen. Murray inserted an article, "Toxic Pesticides Insufficiently Tested -- Stronger Regulations Necessary." p. A712  
Extension of remarks of Rep. Sullivan inserting her testimony before the House Interstate and Foreign Commerce Committee, "The Need is to Strengthen, Not Weaken, the Food, Drug, and Cosmetic Act." pp. A736-8







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
Staff Only)

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For actions of February 19 and 23,  
1960, 86th-2d, Nos. 29 & 30

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HIGHLIGHTS: Senate committee reported Commerce appropriation bill. House committee reported (on Feb. 19) Treasury-Post Office appropriation bill. Both Houses received proposed bill to continue authority to exempt certain poultry inspection plants.

### SENATE - Feb. 19

1. PERSONNEL. Sen. Clark clarified and urged consideration of H. R. 3151, relating to withholding, for the purposes of income tax imposed by certain cities, of compensation of Federal employees. p. 2751
2. APPROPRIATION. Received from the Budget Bureau a report that CCC administrative expenses have been apportioned on a basis indicating the need for a supplemental authorization for 1960. pp. 2751-2
3. POSTAL RATES. Sen. Douglas criticized the President's request for a postal rate increase as a means of making up the deficit caused by "postal subsidies" for "newspapers, magazines, and business groups" (second-class mail users), by a higher cost to ordinary mail users. pp. 2799-2801

### SENATE - Feb. 22

4. COMMERCE APPROPRIATION BILL, 1961. The Appropriations Committee reported with amendments this bill, H. R. 10234 (S. Rept. 1097). p. 2839

5. POULTRY INSPECTION. Both Houses received from this Department a proposed bill to continue the authority to exempt certain poultry inspection plants under the Poultry Products Inspection Act; to Agriculture Committees. pp. 2837, 2883
6. EXPORT CONTROL. Both Houses received from the Secretary of Commerce a quarterly report on export control. pp. 2838, 2883
7. HOG CHOLERA. Received a resolution from the Ga. Legislature urging Congress "to take whatever steps are necessary to inaugurate a program leading toward the eradication of hog cholera." p. 2838
8. COTTON IMPORTS. Received a resolution from the Ga. Legislature supporting "the position which the National Cotton Council, the American Cotton Manufacturers Institute, and other organizations will assume at the U. S. Tariff Commission public hearing on March 1, 1960, to the effect that imports of cotton textiles materially interfere with the Nation's agricultural program as it relates to cotton." pp. 2838-9
9. SMALL BUSINESS. Sen. Sparkman and others reviewed and commended the work of the Select Committee on Small Business on the 10th anniversary of its establishment. pp. 2848-58
10. SALINE-WATER RESEARCH. Sen. Case, S. Dak., and others commended the progress being made in research on desalination of salt and brackish water, and Sen. Case inserted a newspaper editorial quoting the chief of basic research in the Interior Department's Office of Saline Water as stating that "fresh water from the sea is much closer to being economically competitive with water obtained from normal sources of supply than most people realize." pp. 2840-1
11. FARM PROGRAM. Sen. Talmadge inserted an address by Sen. Kerr to the chamber of commerce, Albany, Ga., "The Economic Outlook of the South," in which Sen. Kerr stated that "the growing prosperity of the South today can be attributed to a diversified and progressive agricultural program combined with sound industrial growth." pp. 2842-3
12. COOPERATIVES. Sen. Aiken contended that "there is a great deal of misunderstanding regarding the purpose and the operations of farmer cooperatives," and inserted two newspaper editorials criticizing cooperatives as not paying "their fair share of taxes," and two letters from the National Council of Farmer Cooperatives defending the current method of taxing cooperatives. pp. 2844-6
3. FOOD PRICES; LAND VALUES. Sens. Proxmire and Sparkman contended that the farmer was receiving proportionately less of the consumer's food dollar than he formerly received, and Sen. Proxmire stated that "we should consider seriously a change from our present programs to one in which the farmer can exert, in the marketplace, the bargaining power the other elements of our economy have." Sen. Proxmire also discussed the causes in the increase in land values. pp. 2863-4

HOUSE - Feb. 22

14. TREASURY-POST OFFICE APPROPRIATION BILL, 1961. The Appropriations Committee reported (on Feb. 19, during adjournment of the House) without amendment this bill, H. R. 10569 (H. Rept. 1281). p. 2883
5. FATS AND OILS. The Ways and Means Committee reported with amendment H. R. 8649, to continue the existing suspensions of the tax on the first domestic



processing of coconut oil, palm oil, palm kernel oil, and fatty acids, salts, and combinations or mixtures thereof (H. Rept. 1285). p. 2883

6. CHICORY IMPORTS. The Ways and Means Committee reported without amendment H. R. 9308, to extend for 3 years the suspension of duty on imports of crude chicory and the reduction in duty on ground chicory (H. Rept. 1287). p. 2883
17. SALINE WATER. Received from the Secretary of the Interior a report of the operations of the Department of the Interior during 1959 under the Saline Water Act of 1952. p. 2883
18. FOREIGN CURRENCIES. Received from the Armed Services Committee a report on the use of foreign currencies by the Committee during 1959. pp. 2882-3

#### ITEMS IN APPENDIX

19. SOIL CONSERVATION. Extension of remarks of Sen. Wiley stating that in 1959 Wisc. farmers set a "new record for carrying out sound, constructive conservation programs," and inserting an article on this subject. ' . A1408
20. SURPLUS PROPERTY. Extension of remarks of Rep. McCormack inserting a report by the Dept. of Health, Education, and Welfare listing the amount of surplus real and personal property received by the States for the period Oct. through Dec. 1959. p. A1416
21. RECLAMATION. Sen. Case, S. Dak., inserted two editorials pointing out the significance and impact of the development of the Missouri River. pp. A1416-7
22. COOPERATIVES; TAXATION. Extension of remarks of Rep. Sikes inserting an article, "The Co-op Tax Dodge -- Congress Should Close The Loophole." p. A1419
23. FOREIGN AID. Extension of remarks of Sen. Talmadge inserting an editorial, "Let's Dissect Foreign Aid," and stating that it points out the need for a "searching reexamination of American foreign aid policies." pp. A1422-3
24. SUGAR. Extension of remarks of Rep. Budge inserting a magazine article and stating that it "indicates that the U. S. sugar policy has made us the laughingstock of Cuba." p. A1423
25. FARM PRICES. Extension of remarks of Sen. Proxmire inserting a letter "protesting the tight-money burden ...," and stating that the letter "dramatically illustrates how cruelly and quickly the high interest rate is reflected in higher local school taxes for farm communities, which already are suffering from a punishing property tax burden at the very time when their income from milk and hogs continues to sink." pp. A1423-4
26. FARM PROGRAM. Rep. Pelly inserted additional excerpts from correspondence in support of his proposed bill to repeal price support laws. pp. A1404, A1424, A1431-2, A1436-7  
Extension of remarks of Rep. Canfield inserting a letter from Gov. Meyner (N. J.) with a compilation of Federal measures in which heads of the State executive departments have expressed interest, including eleven programs administered by this Department. pp. A1424-5

BILLS INTRODUCED

27. ELECTRIFICATION. S. 3069, by Sen. Magnuson (by request), to authorize the Federal Power Commission to delegate its functions; to Interstate and Foreign Commerce Committee.
28. LANDS. S. 3070, by Sen. Young, N. Dak., to provide for the removal of the restriction on use with respect to certain lands in Morton County, N. Dak., conveyed to the State of North Dakota on July 20, 1955; to Agriculture and Forestry Committee.
29. FOREIGN AFFAIRS. S. 3074, by Sen. Fulbright (by request), to provide for the participation of the United States in the International Development Association; to Foreign Relations Committee. Remarks of author. pp. 2818-22
30. SUGAR. H. R. 10570, by Rep. Anfuso, to amend the Sugar Act of 1948 to provide for reducing Cuba's sugar quota by the amount of its exports of sugar from Cuba to the Iron Curtain countries; to Agriculture Committee.  
H. R. 10576, by Rep. May, to extend the Sugar Act of 1948, as amended, for 4 years, to increase domestic beet sugar and mainland cane sugar quotas and assure new growers a fair share of such increase, to prorate quota deficits, to authorize the President to reduce quotas of certain foreign nations; to Agriculture Committee. Remarks of author. pp. A1420-1
31. FORESTRY. H. R. 10572, by Rep. Grant, to authorize and direct that the national forests be managed under principles of multiple use and to produce a sustained yield of products and services; to Agriculture Committee.  
H. R. 10577, by Rep. Metcalf, to govern the harvesting of Indian timber; to Interior and Insular Affairs Committee.
32. PERSONNEL. H. R. 10575, by Rep. Lindsay, to supplement and revise the criminal laws prescribing restrictions against conflicts of interest applicable to employees of the executive branch of the Government of the United States; to Post Office and Civil Service Committee.
33. WATER POLLUTION. H. R. 10578, by Rep. Clem Miller, to amend the Federal Water Pollution Control Act to expand research, extend State and interstate water pollution control program grants, and strengthen enforcement procedures; to Public Works Committee.
34. FOREIGN TRADE. H. R. 10580, by Rep. Pelly, to prohibit agencies of the United States from imposing contractual provisions boycotting vessels trading with Israel; to Merchant Marine and Fisheries Committee.
35. RESEARCH. H. R. 10581, by Rep. Pelly, to establish a public policy with respect to oceanographic surveys, and to provide for coordination of the efforts of Federal agencies with respect to oceanographic surveys; to Merchant Marine and Fisheries Committee.

COMMITTEE PRINT RECEIVED IN THIS OFFICE

36. EMPLOYMENT; LABOR. This office has received copies of a committee print of the Joint Economic Committee, "The Structure of Unemployment in Areas of Substantial Labor Surplus," prepared for the Committee by the Bureau of Labor Statistics. The print includes data on the personal, occupational, and



## TEMPORARY SUSPENSION OF TAX ON FIRST DOMESTIC PROCESSING OF COCONUT OIL AND PALM OIL

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FEBRUARY 22, 1960.—Committed to the Committee of the Whole House on the  
State of the Union and ordered to be printed

---

Mr. MILLS, from the Committee on Ways and Means, submitted the  
following

### REPORT

[To accompany H.R. 8649]

The Committee on Ways and Means, to whom was referred the bill (H.R. 8649) to make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows:

Strike out all after the enacting clause and insert the following:

That—

(1) section 3 of Public Law 85-235 (71 Stat. 516), approved August 30, 1957 (relating to the temporary suspension of the tax on the first domestic processing of coconut oil), and

(2) Public Law 86-37 (73 Stat. 64), approved May 29, 1959 (relating to the temporary suspension of the tax on the first domestic processing of palm oil, palm-kernel oil, etc.),

are each amended by striking out "June 30, 1960" and inserting in lieu thereof "June 30, 1963".

Amend the title so as to read:

A bill to continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

### PURPOSE

The purpose of H.R. 8649, as amended by your committee, is to continue through June 30, 1963, the suspension of the 3-cents-per-pound processing tax imposed on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

## GENERAL STATEMENT

Public Law 85-235, approved August 30, 1957, suspended through June 30, 1960, the 3-cents-per-pound tax imposed on the first domestic processing of coconut oil by section 4511(a) of the Internal Revenue Code of 1954. This suspension was provided by action of the Senate in considering H.R. 2842 of the 85th Congress.

Public Law 86-37, approved May 29, 1959, suspended through June 30, 1960, the 3-cents-per-pound tax imposed on the first domestic processing of palm oil and palm-kernel oil imposed by section 4511(a) of the Internal Revenue Code. The suspension of the tax on palm oil and palm-kernel oil was designed to restore the competitive balance between these oils and competing coconut and babassu oils on which the processing tax had been suspended.

Your committee is of the view that experience under the above legislation has been such as to warrant an extension of the existing suspensions of tax on the first domestic processing of these oils.

Your committee is unanimous in ordering H.R. 8649 favorably reported.

Your committee received favorable reports on H.R. 8649 from the Departments of State and Commerce, informative reports from the Treasury Department and the U.S. Tariff Commission, and an unfavorable report from the Department of Agriculture.

## CHANGES IN EXISTING LAW

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as introduced, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, existing law in which no change is proposed is shown in roman):

## SECTION 3 OF THE ACT OF AUGUST 30, 1957

(71 Stat. 516; Public Law 85-235)

SEC. 3. The tax imposed under section 4511(a) of the Internal Revenue Code of 1954 shall not apply with respect to the first domestic processing of coconut oil, fatty acids derived therefrom, or salts thereof, or of any combination or mixture solely because such combination or mixture contains a substantial quantity of such oil, fatty acids, or salts, [during the period] beginning with the first day of the first month which begins more than ten days after the date of the enactment of this Act [and ending with the close of June 30, 1960].

ACT OF MAY 29, 1959

(73 Stat. 64; Public Law 86-37)

AN ACT To suspend temporarily the tax on the processing of palm oil, palm-kernel oil, and fatty acids, salts, and combinations, or mixtures thereof

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the tax imposed under section 4511(a) of the Internal Revenue Code of 1954 shall not apply with respect to the first domestic processing of palm oil, palm-kernel oil, fatty acids derived therefrom, or salts thereof, or of any combination or mixture solely because such combination or mixture contains a substantial quantity of one or more of such oils, fatty acids, or salts, [during the period] beginning with the first day of the first month which begins more than 10 days after the date of the enactment of this Act [and ending with the close of June 30, 1960].

○



Union Calendar No. 564

86TH CONGRESS  
2D SESSION

# H. R. 8649

[Report No. 1285]

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## IN THE HOUSE OF REPRESENTATIVES

AUGUST 12, 1959

Mr. KING of California introduced the following bill; which was referred to the Committee on Ways and Means

FEBRUARY 22, 1960

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italic]

---

## A BILL

To make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That ~~(a) section 3 of the Act entitled "An Act to amend the~~  
4       Tariff Act of 1930 to provide for the temporary free im-  
5       portation of certain tanning extracts, and to amend the  
6       Internal Revenue Code of 1954 to suspend temporarily the  
7       tax on the processing of coconut oil", approved August 30,  
8       1957 ~~(Public Law 85-235; 71 Stat. 516)~~, is amended by  
9       striking out "during the period" and by striking out "and  
10      ending with the close of June 30, 1960".



1       (b) The Act entitled “An Act to suspend temporarily  
 2   the tax on processing of palm oil, palm kernel oil, and fatty  
 3   acids, salts, and combinations, or mixtures thereof”, approved  
 4   May 29, 1959 (Public Law 86-37; 73 Stat. 64), is amended  
 5   by striking out “during the period” and by striking out  
 6   “and ending with the close of June 30, 1960”.

7   That—

8               (1) Section 3 of Public Law 85-235 (71 Stat.  
 9       516), approved August 30, 1957 (relating to the tempo-  
 10      rary suspension of the tax on the first domestic process-  
 11      ing of coconut oil); and

12              (2) Public Law 86-37 (73 Stat. 64), approved  
 13      May 29, 1959 (relating to the temporary suspension of  
 14      the tax on the first domestic processing of palm oil, palm-  
 15      kernel oil, etc.),  
 16      are each amended by striking out “June 30, 1960” and in-  
 17      serting in lieu thereof “June 30, 1963”.

Amend the title so as to read: “A bill to continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.”





86TH CONGRESS  
2D SESSION

**H. R. 8649**

[Report No. 1285]

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# A BILL

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To make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

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By Mr. KING of California

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AUGUST 12, 1959

Referred to the Committee on Ways and Means

FEBRUARY 22, 1960

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
Staff Only)

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For actions of March 2, 1960  
86th-2nd, No. 38

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HIGHLIGHTS: Rep. Jensen urged enactment of payments-in-kind corn bill to reduce corn surplus. House passed bill for suspension of processing tax on coconut and palm oil. Rep. Langen introduced and discussed bill to provide incremental price supports for wheat and small grain crops. Rep. Quigley introduced and discussed bill to provide for use and consumption of surplus foods in home economics classes.

## HOUSE

1. PERSONNEL; PROPERTY. Passed without amendment H. R. 9881, to extend for two years the existing provisions of law relating to the free importation of personal and household effects brought into the U. S. under Government orders. pp. 3817-8
2. TAMPICO FIBER. Passed without amendment H. R. 9861, to continue until Sept. 5, 1963, the existing suspension of duty on certain istle and tampico fibers. pp. 3818-9
3. COCONUT OIL. Passed as reported H. R. 8649, to continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof. As passed the bill provides for continuing the existing suspension of the tax up to June 30, 1963 (as introduced it would have made the existing suspension of the tax permanent.) pp. 3821-2
4. CHICORY. Passed without amendment H. R. 9306, to extend for three years the suspension of duty on imports of crude chicory, and the reduction in duty on ground chicory. pp. 3819-20



5. PUBLIC BUILDINGS. Received from the Public Works Committee a list of proposed public building projects which GSA had submitted and the Committee had approved. p. 3822
6. MILITARY CONSTRUCTION. Reported without amendment H. R. 10777, to authorize construction at military installations ( H. Report 1307). p. 3842
7. APPROPRIATIONS. Rep. Barr explained his reasons for introducing H. Res. 459, which would require a rollcall vote on any appropriation bill. pp. 3822-3
8. CORN. Rep. Jensen urged enactment of his bill H. R. 10097, a payment-in-kind program for corn, which he states would "quickly reduce the costly price depressing surpluses of corn now in CCC storage..." p. 3823
9. FOREIGN TRADE. Reps. Roosevelt, Celler, Holtzman, Farbstein, and Bonner attacked the administration's policy regarding the Arab boycott of Israel, including certain shipping contracts of this Department. pp. 3826-9

#### SENATE

10. CONSERVATION; FORESTRY. Sen. Murray urged enactment of S. 812, to establish a Youth Conservation Corps to assist in the development and conservation of natural resources, stated that such a Corps will "build better young men who will be leaders of tomorrow," and inserted a newspaper article, "CCC Camps Recall Memories of Another Era." pp. 3857-8
11. PERSONNEL. The Finance Committee reported with amendment H. R. 3472, to repeal Sec. 1505 of the Social Security Act so that in determining eligibility of Federal employees for unemployment compensation their accrued annual leave shall be treated in accordance with State laws (S. Report 1154). p. 3845  
Sen. Johnston announced his intention to introduce a bill to make permanent the temporary increases in pay for postal employees, stated that he intended to "use this bill as the vehicle for public hearings on the overall question of pay both for our postal workers and classified employees just as soon as the civil rights issue is out of the way," and stated that he could not agree "with the position taken by the President in a recent message to Congress against consideration at this time of a pay adjustment for Federal employees." p. 3845
12. ROADS. Received from the Secretary of the Treasury a report on the financial condition and fiscal operations of the highway trust fund; to Finance Committee. p. 3844  
Received from Commerce Dept. a proposed bill "to authorize appropriations for continuing the construction of highways under title 23, United States Code"; to Public Works Committee. p. 3844

#### BILLS INTRODUCED

13. FISHERIES. H. R. 10846, by Rep. Coffin, and H. R. 10864, by Rep. Oliver, to authorize the Secretary of the Interior to establish a fishery extension service in the Fish and Wildlife Service of the Department of the Interior for the purposes of carrying out cooperative fishery extension work with the States, territories, and possessions; to Merchant Marine and Fisheries Committee. pp. 3842, 3843



of their chief use, so long as suitable for use in tanning. These three provisions will expire at the close of September 30, 1960, in the absence of further legislation. As I stated, the pending bill, H.R. 9820, which was introduced by our colleague on the Committee on Ways and Means, the Honorable EUGENE J. KEOGH, would continue the suspension of duty provided by these three earlier enactments for an additional 3-year period.

Your committee has been advised that the conditions which gave rise to this suspension of duty continue in effect today. The domestic tanning extract industry has been dependent upon domestic chestnut wood and bark for the mestic production of chestnut tanning extract, the only vegetable tanning material which has been produced in the United States in significant quantity. Because of the blight which virtually wiped out the chestnut trees along the Appalachian Range, domestic firms producing tanning extracts have been unable to secure raw materials. The domestic availability of tanning extracts has steadily declined and the firms which had been engaged in extract production have largely gone into other fields of activity.

The committee amendment is purely to correct a clerical error in the bill.

Favorable departmental reports were received on this legislation, and the Committee on Ways and Means is unanimous in reporting it to the House.

Mr. MASON. Mr. Speaker, in recent years a number of individual bills have passed dealing with the tariff treatment of certain extracts, decoctions, and preparations suitable for use in tanning. The bill which has just passed the House, H.R. 9820, has as its purpose the extension for an additional 3 years the period during which these articles may be imported free of duty. In effect we are doing in one bill what the Congress has previously done in several individual bills. Thus, the duty-free period with respect to these tanning articles will be continued through September 30, 1963.

Favorable reports were received on this legislation by the Committee from the Departments of State, Treasury, and Commerce, and in addition an informative report was received from the U.S. Tariff Commission. The Committee on Ways and Means was unanimous in urging the enactment of this legislation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled*, That section 2 of the Act entitled "An Act to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts, and to amend the Internal Revenue Code of 1954 to suspend temporarily the tax on the processing of coconut oil", approved August 30, 1957 (Public Law 85-235), is amended by striking out "during the three-year period beginning on the thirtieth day after the date of the enactment of this Act" and inserting in lieu thereof "before the close of September 30, 1963".

SEC. 2. Section 4(b) of the Act entitled "An Act to reduce from fifteen to thirteen

inches the minimum width of paper in rolls which may be imported into the United States free of duty as standard newsprint paper, and for other purposes", approved August 14, 1958 (Public Law 85-645), is amended by striking out "prior to September 29, 1960" and inserting in lieu thereof "before the close of September 30, 1963".

SEC. 3. Section 2 of the Act entitled "An Act to amend the Tariff Act of 1930 to provide for the temporary free importation of certain extracts, decoctions, and preparations of hemlock suitable for use for tanning", approved September 16, 1959 (Public Law 86-288), is amended by striking out "prior to September 29, 1960" and inserting in lieu thereof "before the close of September 30, 1963".

With the following committee amendment:

Strike out all after the enacting clause and insert: "That the amendments made by the following provisions of law shall continue in effect with respect to articles entered, or withdrawn from warehouse for consumption, before the close of September 30, 1963:

"(1) The first section of Public Law 85-235 (71 Stat. 516), approved August 30, 1957 (amending paragraphs 38 and 1670(b) of the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts);

"(2) Section 4(a) of Public Law 85-645 (72 Stat. 602), approved August 14, 1958 (relating to the temporary free importation of certain extracts, decoctions, and preparations of eucalyptus suitable for use for tanning); and

"(3) The first section of Public Law 86-288 (73 Stat. 568), approved September 16, 1959 (relating to the temporary free importation of certain extracts, decoctions, and preparations of hemlock suitable for use for tanning)."

Mr. MILLS. Mr. Speaker, I have a clerical amendment that I would like to offer to the committee amendment.

The Clerk read as follows:

Amendment to the committee amendment, offered by Mr. MILLS: Page 2, line 21, strike out "warehouse for consumption," and insert "warehouse, for consumption".

The amendment to the committee amendment was agreed to.

The committee amendment as amended was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to extend the period during which certain tanning extracts, and extracts of hemlock or eucalyptus suitable for use for tanning, may be imported free of duty."

A motion to reconsider was laid on the table.

#### SUSPENSION OF TAX ON COCONUT OIL AND PALM OIL

Mr. MILLS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H.R. 8649) to make permanent the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

This bill was also unanimously reported by the Committee on Ways and Means.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arkansas?

Mr. MASON. Mr. Speaker, reserving the right to object, will the gentleman give a short explanation of the bill?

Mr. MILLS. Mr. Speaker, the purpose of H.R. 8649, as reported by the Committee on Ways and Means, is to continue through June 30, 1963, the suspension of the 3-cent-per-pound processing tax imposed on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

Public Law 235 of the 85th Congress suspended through June 30, 1960, the 3-cent-per-pound tax imposed on the first domestic processing of coconut oil by section 4511(a) of the Internal Revenue Code of 1954. Public Law 37 of the 86th Congress suspended through June 30, 1960, the 3-cent-per-pound tax imposed on the first domestic processing of palm oil and palm-kernel oil imposed by that section of the code. The suspension of this tax on palm oil and palm-kernel oil was designed to restore the competitive balance between these oils and coconut and babassu oils, on which the tax had been suspended.

The Committee on Ways and Means is of the view that experience under the legislation referred to above has been such as to warrant an extension of the existing suspensions of tax on the first domestic processing of these oils.

Favorable reports on this bill, which was introduced by our colleague on the Committee on Ways and Means, the Honorable CECIL R. KING, were received from the Departments of State and Commerce, and informative reports from the Treasury Department and the U.S. Tariff Commission. As indicated in the committee report on the bill, the Department of Agriculture did not favor enactment of the legislation in the form in which it was introduced, which provided for a permanent suspension of the first domestic processing tax on the oils involved. However, the committee understands that this objection was based on the fact that the Department of Agriculture lacked sufficient information to warrant approval of a permanent suspension, and that it would have no objection to a temporary suspension as provided in the bill reported by the committee.

The Committee on Ways and Means is unanimous in reporting this legislation to the House.

Mr. MASON. Mr. Speaker, the legislation which has just passed the House was approved by the unanimous vote of the membership of the Committee on Ways and Means as well as received favorable comment from the Departments of State and Commerce. Informative reports were received by the committee from the Treasury Department and from the United States Tariff Commission, and an unfavorable report was received from the Department of Agriculture. This legislation has as its purpose the extension through June 30, 1963, of the existing suspension of tax on the first domestic processing of coconut oil, and certain other enumerated articles of a similar nature.



The legislation as originally introduced would have made the existing suspension permanent, but the Committee on Ways and Means in acting on the legislation provided for only a 3-year suspension so that the Congress would have opportunity to review the legislation at a future date. Experience with the suspension in prior years has proved satisfactory and it was the view of the Ways and Means Committee membership that the suspension should be continued with a 3-year period prescribed in the bill.

The SPEAKER. pro tempore. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The clerk read the bill, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3 of the Act entitled "An Act to amend the Tariff Act of 1930 to provide for the temporary free importation of certain tanning extracts, and to amend the Internal Revenue Code of 1954 to suspend temporarily the tax on the processing of coconut oil", approved August 30, 1957 (Public Law 85-235; 71 Stat. 516), is amended by striking out "during the period" and by striking out "and ending with the close of June 30, 1960".*

With the following committee amendment:

Strike out all after the enacting clause and insert: "That—

"(1) Section 3 of Public Law 85-235 (71 Stat. 516), approved August 30, 1957 (relating to the temporary suspension of the tax on the first domestic processing of coconut oil); and

"(2) Public Law 86-37 (73 Stat. 64), approved May 29, 1959 (relating to the temporary suspension of the tax on the first domestic processing of palm oil, palm-kernel oil, etc.),

are each amended by striking out 'June 30, 1960' and inserting in lieu thereof 'June 30, 1963'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof."

A motion to reconsider was laid on the table.

#### PUBLIC BUILDING PROJECTS

The SPEAKER pro tempore laid before the House the following communication:

FEBRUARY 25, 1960.

The Honorable SAM RAYBURN,  
Speaker of the House, the Capitol,  
Washington, D.C.

MY DEAR MR. SPEAKER: Pursuant to the provisions of section 7(a) of the Public Buildings Act of 1959 the Committee on Public Works of the House of Representatives approved on February 24, 1960, a prospectus for each of the following public building projects which were transmitted to

this committee from the General Services Administration:

#### LOCATION AND TYPE

Alabama, Decatur—PO FOB.  
Alaska, Juneau—PO CT.  
Arizona, Nogales—Border station.  
Arkansas, Camden—PO, etc.  
California, Bakersfield—FOB.  
California, Los Angeles, CU FOB.  
California, San Francisco, CT FOB.  
Colorado, Denver—Warehouse.  
Colorado, Denver—CT FOB.  
Connecticut, Hartford—FOB.  
Connecticut, Wallingford—PO, etc.  
Delaware, Wilmington—CT CU, FOB.  
District of Columbia—GPO field plant.  
District of Columbia—U.S. Court of Claims Building.  
Florida, Gainesville—PO CT.  
Florida, Tampa—FOB.  
Florida, Miami—FOB.  
Georgia, Statesboro—PO, etc.  
Georgia, Thomasville, PO CT.  
Idaho, Boise—CT FOB.  
Illinois, Chicago—CT FOB and FOB.  
Indiana, Seymour—PO, etc.  
Maine, Augusta—PO FOB.  
Maine, Jackman—Border station.  
Maine, Van Buren—Border station.  
Maine, Vanceboro—Border station.  
Maryland, Baltimore—FOB.  
Massachusetts, Boston—FOB.  
Massachusetts, Webster—PO.  
Michigan, Detroit—Immigration and Naturalization Service Center.  
Michigan, Wyandotte—PO, etc.  
Mississippi, Clarksdale—PO FOB.  
Mississippi, Tupelo—FOB.  
Missouri, Kansas City—FOB.  
Montana, Billings—CT FOB.  
Montana, Sweetgrass—Border station.  
Nebraska, North Platte—PO CT.  
Nevada, Reno—CT FOB.  
New Mexico, Albuquerque—Warehouse.  
New Mexico, Santa Fe—PO FOB.  
New York, New York—CU CT FOB.  
North Carolina, Bryson City—PO CT.  
North Carolina, Hickory—PO, etc.  
North Carolina, Thomasville—PO.  
North Dakota, Bismarck—PO CT.  
North Dakota, Pembina—Border station.  
Ohio, Cincinnati—FOB.  
Ohio, Toledo—FOB.  
Oklahoma, Tulsa—PO FOB.  
Oregon, Medford—PO, etc.  
Pennsylvania, Johnstown—PO, etc.  
Pennsylvania, Lebanon—PO, etc.  
Pennsylvania, Philadelphia—PO CT.  
Pennsylvania, Pittsburgh—FOB.  
Rhode Island, Westerly—PO, etc.  
South Carolina, Charleston—FOB.  
South Dakota, Sioux Falls—PO, etc.  
Tennessee, Dyersburg—PO, etc.  
Tennessee, Memphis—CT FOB.  
Texas, Austin—PO FOB.  
Texas, El Paso (Cordova Island)—Border station.  
Utah, Ogden—CT FOB.  
Vermont, Derby Line—Border station.  
Vermont, Montpelier—PO CT.  
Washington, Dayton—PO, etc.  
Washington, Richland—PO CT.  
Wyoming, Cheyenne—PO CT.

Sincerely yours,

CHARLES A. BUCKLEY,  
Member of Congress, Chairman, Committee on Public Works.

The SPEAKER pro tempore. The communication and accompanying papers will be referred to the Committee on Appropriations.

#### LAW OBSERVANCE EXHIBIT

(Mr. TOLL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TOLL. Mr. Speaker, on Monday, February 29, 1960, a law observance exhibit was opened in the Philadelphia National Bank, in the heart of the busiest area of Philadelphia under the sponsorship of the law observance committee of the Philadelphia chapter of the Federal Bar Association. I might state that I mention this with pride inasmuch as I am a member of this law observance committee which was established in October of 1959 to promote respect for law and legal processes. Since its establishment, it has publicized the need for respect for law by large size posters which are appearing on the back of 100 Yellow Cabs reading:

The law protects you, respect it, uphold it, obey it.

It has established a speakers' bureau which furnishes qualified speakers to groups and organizations; is establishing cooperative activities with the schools; and is planning other steps to combat delinquency among adults and juveniles.

The law observance exhibit depicts the activities of the Philadelphia Police Department, the Federal Bureau of Investigation, the postal inspectors and Treasury enforcement agencies, including Alcohol and Tobacco Tax, Narcotics, and Secret Service. These agencies have joined hands in a program of crime prevention to make the public better aware of the functions they perform. The exhibit brings home to our citizens the fact that law enforcement agencies of the Nation can adequately protect the public only if they receive the cooperation of the public. This is the first time that such a joint exhibit has ever been presented.

These law enforcement agencies are to be congratulated for their wisdom and initiative in participating in such an exhibit. It is not enough that law enforcement agencies perform their functions in a quiet, unheralded way. In order to obtain maximum benefit from their operations, they must publicize, glamorize, and glorify their activities. By so doing, they develop an aura of invincibility which serves to discourage would-be malefactors; engender cooperation and respect from the public; promote morale among their employees; and attract better personnel. I urge all law enforcement agencies throughout the country to cooperate in a program of publicizing their capabilities and accomplishments. Respect for law and observance of the laws are essential for the preservation of America's cherished freedoms.

#### OUR FINANCIAL DUTY TO THE PEOPLE

(Mr. BARR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARR. Mr. Speaker, on Thursday, February 25, I introduced a resolution into this Congress which states very simply that every Member must stand up and be counted on a rollcall vote when we are voting on appropriations bills to spend the people's money. It would be dishonest for me to tell my



# H. R. 3649

TO AMEND THE ACT OF MARCH TWENTY, ONE THOUSAND NINE HUNDRED SEVEN,

RELATIVE TO THE NATIONAL BUREAU OF FIRE ARMS, AND  
TO AMEND THE ACT OF MARCH TWENTY, ONE THOUSAND NINE HUNDRED SEVEN,

## AN ACT

TO AMEND THE ACT OF MARCH TWENTY, ONE THOUSAND NINE HUNDRED SEVEN, RELATIVE TO THE NATIONAL BUREAU OF FIRE ARMS, AND TO AMEND THE ACT OF MARCH TWENTY, ONE THOUSAND NINE HUNDRED SEVEN, RELATIVE TO THE NATIONAL BUREAU OF FIRE ARMS, AND TO AMEND THE ACT OF MARCH TWENTY, ONE THOUSAND NINE HUNDRED SEVEN, RELATIVE TO THE NATIONAL BUREAU OF FIRE ARMS.

Enacted at the City of Washington, this Twenty-third day of September, A. D. 1910.



86TH CONGRESS  
2D SESSION

# H. R. 8649

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IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 15), 1960

Read twice and referred to the Committee on Finance

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## AN ACT

To continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That—

4               (1) Section 3 of Public Law 85-235 (71 Stat.  
5       516), approved August 30, 1957 (relating to the tem-  
6       porary suspension of the tax on the first domestic proc-  
7       essing of coconut oil) ; and

8               (2) Public Law 86-37 (73 Stat. 64), approved  
9       May 29, 1959 (relating to the temporary suspension of

- 1 the tax on the first domestic processing of palm oil,
- 2 palm-kernel oil, etc.),
- 3 are each amended by striking out "June 30, 1960" and in-
- 4 serting in lieu thereof "June 30, 1963".

Passed the House of Representatives March 2, 1960.

Attest: \_\_\_\_\_ RALPH R. ROBERTS,

*Clerk.*





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## AN ACT

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To continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

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MARCH 3 (legislative day, FEBRUARY 15), 1960

Read twice and referred to the Committee on Finance





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
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HIGHLIGHTS: Sen. Dirksen introduced and discussed road authorization bill.

## SENATE

1. FATS AND OILS. The Finance Committee voted to report (but did not actually report) H. R. 8649, to continue for 3 years the suspension of tax on the first domestic processing of coconut oil, palm oil, and palm-kernel oil. p. D267
2. CHICORY. The Finance Committee voted to report (but did not actually report) H. R. 9307, to continue for 2 years the suspension of duty on certain alumina and bauxite, with an amendment to extend the suspension of duty on crude chicory. (p. D267) The "Daily Digest" states that the committee deferred action on H. R. 9308, to extend for 3 years the suspension of duty on imports of crude chicory, and the reduction in duty on ground chicory. (p. D268)
3. FIBERS; PROPERTY. The "Daily Digest" states that the Finance Committee deferred action on the following bills: p. D268  
H. R. 9861, to continue until Sept. 5, 1963, the existing suspension of duty on certain istle and tampico fibers.  
H. R. 9881, to extend for two years the existing provisions of law relating to the free importation of personal and household effects brought into the U. S. under Government orders.
4. WATERSHED PROJECTS. Both Houses received from the Budget Bureau plans for works of improvement on the following watersheds: Vineland area tributary to Arkansas River, Colo.; White Clay, Brewery, Whiskey Creeks, Kans.; Tortugas Arroyo, N. Mex.; Huff Creek, S. C.; and Brush Creek, W. Va.; to S. Agriculture and Forestry and H. Agriculture Committees. pp. 6710, 6713

5. POSTAL RATES. Both Houses received from the Small Business Administration a report on the study of the effect of third-class bulk mail rate increases on small business and others. To Post Office and Civil Service Committees. pp. 6710, 6714
6. ELECTRIFICATION. Sen. Carroll commended the inclusion of \$250,000 in the 1961 Interior appropriation bill to be "used to study development of a coal-fired gas turbine which would increase the efficiency of utilizing coal in the generation of electric power," and stated that such research would aid REA co-ops in Colorado in the future development of generating and transmission facilities. pp. 6768-9

#### HOUSE

7. SECOND SUPPLEMENTAL APPROPRIATION BILL, 1960. House conferees were appointed on this bill, H. R. 10743. Senate conferees have already been appointed. p. 6675
8. PERSONNEL; PROPERTY. Passed over, at the request of Rep. Gross, H. R. 8074, to permit the assignment of agricultural attaches for a maximum of 4 years in the U. S. without grade reduction. p. 6676  
Passed, as reported H. R. 10978, to provide for the settlement of claims against the U. S. by members of the uniformed services and civilian officers and employees of the U. S. for damage to, or loss of, personal property incident to their service. p. 6679
9. FLOOD RELIEF. Passed as reported H. R. 5726, for the relief of Hood County, Tex., a flood relief disaster area. p. 6676
10. NATURAL RESOURCES; INFORMATION. Passed with amendment S. 1185, to provide for the preservation of historical and archeological data on public and other lands (including relics and specimens) which might otherwise be lost as a result of the construction of a dam. p. 6678
11. LANDS. Passed as reported, H. R. 9142, to provide for the payment of claims of persons who conveyed lands to the U. S. as a basis for lieu selections under the Act of June 4, 1897, and who have not heretofore received the lieu selection or a reconveyance of their lands. pp. 6679-80  
Passed over, at the request of Rep. Hechler, H. R. 8567, to revise the boundaries and change the name of the Fort Laramie National Monument, Wyo. p. 6681
12. EXPORT CONTROL. Passed under suspension of rules, H. R. 10550, to extend the Export Control Act of 1949 for two additional years. p. 6681
13. PUBLICATIONS. Received from the Administrative Assistant Secretary of Interior, a draft of proposed legislation "to provide agencies of the Government of the U. S. with the authority to pay in advance for required publications."  
Referred to Government Operations Committee. p. 6710
14. LEGISLATIVE PROGRAM. Rep. Albert stated that later in the week the House will consider H. R. 9322, to make permanent the existing suspension of duties on certain coarse wool. p. 6696







# Digest of CONGRESSIONAL PROCEEDINGS

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GENERAL  
BUDGET AND FINANCE

(For Department  
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**HIGHLIGHTS:** House received conference report on second supplemental appropriation bill. House committee voted to report mutual security authorization bill. Sens. Hickenlooper, Lausche, and Dirksen introduced and Sen. Hickenlooper discussed wheat bill and bill to expand conservation reserve program. Rep. Jones, Ala., introduced and discussed bill to provide minimum support level for 1961 cotton crop.

## HOUSE

1. **SECOND SUPPLEMENTAL APPROPRIATION BILL, 1960.** Received the conference report on this bill H. R. 10743 (H. Rept. 1452). At the end of this Digest is a table showing the action of the conferees on items relating to this Department. The conference report also provides \$131,000 for library services to rural areas. pp. 6860-1
2. **MUTUAL SECURITY.** The Foreign Affairs Committee voted to report, (but did not actually report) H. R. 11510, the mutual security authorization bill. p. D273
3. **BUILDINGS.** Received from the Chairman of the Public Works Committee a notification of committee approval of a number of public building alteration and repair projects, including USDA buildings in the District of Columbia. p. 6855
4. **FLOOD CONTROL.** Rep. Smith, Miss., urged the House Appropriations Committee to continue to ignore the administration's policy of "no new starts" in the field of flood control, citing the floods in the upper Mississippi valley as proof of need for these projects. p. 6855

5. TOBACCO. Rep. Bonner cited a Journal of Commerce item regarding a possible reduction in the 30% ad valorem tariff imposed on U. S. tobacco by the European Common Market as "encouraging," and called for a stabilization of ocean freight rates whose recent fluctuations have added an additional "gamble" in the disposal of agricultural commodities, particularly tobacco. p. 6863
6. TRANSPORTATION; SUBSIDIES. Rep. Mack urged opposition to renewal of paying subsidies to large airlines stating that that practice "eliminates any economic penalty for operation of unnecessary routes" and is an "unnecessary burden" on the taxpayer. p. 6864

#### SENATE

7. FATS AND OILS; CHICORY; TANNING EXTRACTS. The Finance Committee reported the following bills: p. 6779
  - H. R. 8649, without amendment, to continue for 3 years the suspension of tax on the first domestic processing of coconut oil, palm oil, and palm-kernel oil (S. Rept. 1233).
  - H. R. 9307, with amendment, to extend the suspension of duty on crude chicory (S. Rept. 1235).
  - H. R. 9820, without amendment, to extend for three years the period during which tanning extracts, including certain extracts, decoctions, and preparations which are suitable for use for tanning, may be imported free of duty (S. Rept. 1234).
8. WILDERNESS AREAS; FORESTRY. Sen. Kuchel urged the Senate Interior and Insular Affairs Committee to report a bill to create a national wilderness preservation system so that the Senate may "pass it here in time for similar action in the House of Representatives," and inserted several articles and letters supporting enactment of such legislation. pp. 6782-5
9. RURAL ELECTRIFICATION. Sens. Murray and Clark inserted several letters and statements paying tribute to the late Morris D. Cooke, first administrator of the Rural Electrification Administration. pp. 6808-15

#### ITEMS IN APPENDIX

10. PERSONNEL. Extension of remarks of Rep. Murray stating that automation through the use of electronic data processing equipment and related electronic devices is "one of the most important developments affecting the future of Federal employees," and inserting an article on this subject. pp. A2990-1
  - Extension of remarks of Rep. Dingell inserting an article discussing conflict of interests cases among Federal employees which have "come to light" due to congressional hearings, including mention of two employees of this Department. pp. A3016-7
11. FARM PROGRAM. Rep. Dague inserted an article, "Benson Defended On Farm Policies." p. A2992
12. MEAT IMPORTS. Rep. Dorn inserted 2 articles, "Cattlemen Fear Imports Will Slash Beef Prices," and "Are You Jumpy These Days? Kangaroo Meat Found In Pennsylvania." pp. A2999-3000, A3013
13. WHEAT. Extension of remarks of Rep. Breeding inserting "Wheatland" a choral symphony written and composed at the suggestion of Kansas wheat producers. pp. A3001-3



TEMPORARY SUSPENSION OF TAX ON FIRST DOMESTIC  
PROCESSING OF COCONUT OIL AND PALM OIL

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APRIL 5, 1960.—Ordered to be printed

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Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

## R E P O R T

[To accompany H.R. 8649]

The Committee on Finance, to whom was referred the bill (H.R. 8649) to continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

## PURPOSE

The purpose of H.R. 8649 is to continue through June 30, 1963, the suspension of the 3-cents-per-pound processing tax imposed on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

## GENERAL STATEMENT

Coconut oil and palm-kernel oil are the only commercially important lauric-acid oils now used in the United States. The domestic processing taxes on these oils provided for in section 4511(a) of the Internal Revenue Code of 1954, as amended, were originally imposed in 1934, principally to protect domestically produced edible fats and oils in uses in which coconut oil is at present of little importance, such as in margarine. Although very little palm-kernel oil was used in margarine or shortening, it was subjected to the tax presumably because it could be substituted for coconut oil. Coconut oil is currently important in the manufacture of soap because of the superior lathering properties which the oils impart. Palm-kernel oil is used in the United States principally in edible products such as biscuits, crackers, and confectionery. Neither of the oils is made from materials produced in the



United States. The principal use of palm oil in the United States is in the tin-plate industries where it serves to prevent oxidation in the plating baths. Imports for this use have been exempt from the tax since 1942.

Public Law 85-235, approved August 30, 1957, suspended through June 30, 1960, the 3-cents-per-pound tax imposed on the first domestic processing of coconut oil by section 4511(a) of the Internal Revenue Code of 1954. This suspension was provided by action of the Senate in considering H.R. 2842 of the 85th Congress.

Public Law 86-37, approved May 29, 1959, suspended through June 30, 1960, the 3-cents-per-pound tax imposed on the first domestic processing of palm oil and palm-kernel oil imposed by section 4511(a) of the Internal Revenue Code. The suspension of the tax on palm oil and palm-kernel oil was designed to restore the competitive balance between these oils and competing coconut and babassu oils on which the processing tax had been suspended.

Experience under the above legislation appears to have been such as to warrant an extension of the existing suspensions of tax on the first domestic processing of these oils.

No opposition to the temporary continuation of the suspension of duties has been registered with the Finance Committee.

#### DEPARTMENTAL REPORTS

The following reports on this bill were submitted by the Departments of Commerce, Treasury, Agriculture, and the Bureau of the Budget. The analysis submitted by the U.S. Tariff Commission is also printed below for the information of the Senate.

THE SECRETARY OF COMMERCE,  
*Washington, March 28, 1960.*

Hon. HARRY F. BYRD,  
*Chairman, Committee on Finance,*  
*U.S. Senate, Washington, D. C.*

DEAR MR. CHAIRMAN: This is in response to your request for the views of this Department with respect to H.R. 8649, an act which would extend for 3 years the existing suspension of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

The Department favors the enactment of this legislation.

Coconut oil, palm-kernel oil and palm oil are imported for certain uses in edible and inedible products because of their special properties. The raw materials from which these oils are obtained are not grown commercially in the United States.

Coconut oil is used in the manufacture of bakery products and confectionery products as well as in soap, lubricants and similar oils, insecticides and germicides, resins, pharmaceuticals, toilet articles, textile auxiliaries, plasticizers, detergents, hydraulic brake fluids, and synthetic rubber. Over half the current consumption of coconut oil is used in edible products. Palm-kernel oil is used primarily in bakery products and confectionery products, in fat splitting, hydrogenation and other industrial processing.

The principal use of palm oil in the United States is in the manufacture of steel products such as tinplate and terneplate. Imports

for this use, by law, have been exempt from payment of the processing tax. A small quantity of palm oil is used in making soap and in other industrial products.

United States is an exporter of fats and oils and therefore protection of domestic producers of fats and oils through imposition of the processing tax is unnecessary. Suspension of the processing tax could be made permanent.

The Bureau of the Budget has advised that it would interpose no objection to the submission of this report to the Committee.

Sincerely yours,

PHILIP A. RAY,  
*Undersecretary of Commerce.*

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OFFICE OF THE SECRETARY OF THE TREASURY,  
*Washington, March 15, 1960.*

HON. HARRY F. BYRD,  
*Chairman, Committee on Finance,*  
*U. S. Senate, Washington, D.C.*

MY DEAR MR. CHAIRMAN: Reference is made to your letter of March 4, 1960, requesting the views of this Department on H.R. 8649, to continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

The proposed legislation would extend for an additional 3 years, that is until June 29, 1963, the existing suspension provided in section 3 of the Public Law 85-235 of the tax imposed on the first domestic processing of coconut oil, and the existing suspension provided by Public Law 86-37 of the tax imposed on the first domestic processing of palm oil and palm-kernel oil.

This Department has no comments to make on the general merits of the proposed legislation. For the information of the committee, however, it is expected that the annual loss of revenue resulting from its enactment may approximate \$16 million.

The Department has been advised by the Bureau of the Budget that there is no objection to the submission of this report to your committee.

Very truly yours,

A. GILMORE FLUES,  
*Acting Secretary of the Treasury.*

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DEPARTMENT OF AGRICULTURE,  
*Washington, D.C., March 2, 1960.*

HON. WILBUR D. MILLS,  
*Chairman, Committee on Ways and Means,*  
*House of Representatives.*

DEAR CONGRESSMAN MILLS: This is in further reference to our letter of January 22, last, which contained the views of this Department with respect to bills H.R. 8648 and H.R. 8649, which proposed to eliminate permanently the 3-cents-per-pound processing tax on coconut oil, palm oil, palm kernel oil, and the fatty acids and salts of these oils. Since this Department has been asked by your com-



mittee for its views on additional related legislation this is in reference also to bill H.R. 7561, introduced last June 4 by Mr. Dingell, which proposes in effect to eliminate permanently the 3-cents-per-pound processing tax only on coconut oil, and its fatty acids and salts. And finally, this refers to H.R. 8649, as amended.

As you know, this Department found it necessary to oppose the first two of the above-mentioned bills, which were identical. The Department finds it necessary now to oppose also bill H.R. 7561. The major reason for the opposition to all of these bills is that there is not available sufficient information to determine whether permanent removal of the processing tax after next June 30—when the temporary suspension expires—would be injurious to this Department's support programs on oilseeds.

With respect to H.R. 8649, as amended, “\* \* \* to continue for a temporary period the existing suspension of the tax \* \* \*”—that is, through June 30, 1963—this Department would not oppose its enactment into law. The reason is that before expiration of such extended temporary suspension, there should be sufficient data available for appraising the possible impact of permanent removal of the tax on the Department's oilseed programs. It seems quite likely that the world market situation respecting copra and coconut oil, currently regarded as gravely abnormal, will have returned to normalcy in another 2 years.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely,

TRUE D. MORSE,  
*Acting Secretary.*

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EXECUTIVE OFFICE OF THE PRESIDENT,  
BUREAU OF THE BUDGET,  
Washington, D.C., March 16, 1960.

HON. HARRY F. BYRD,  
*Chairman, Committee on Finance,*  
*U.S. Senate, Washington, D.C.*

MY DEAR MR. CHAIRMAN: This is in reply to your request of March 4, 1960, for a report on H.R. 8649, a bill to continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

The Bureau of the Budget has no objection to enactment of the bill.

Sincerely yours

(S) PHILLIP S. HUGHES,  
*Assistant Director for Legislative Reference.*

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U.S. TARIFF COMMISSION,  
Washington, D.C., March 10, 1960.

HON. HARRY F. BYRD,  
*Chairman, Committee on Finance, U.S. Senate.*

DEAR MR. CHAIRMAN: This is in response to your request of March 4, 1960, for a report on H.R. 8649 of the 86th Congress, a bill to continue for a temporary period the existing suspensions of the tax on

the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof which was passed by the House of Representatives on March 2, 1960.

Coconut oil and palm-kernel oil are the only commercially important lauric-acid oils now used in the United States. The domestic processing taxes on these oils provided for in section 4511(a) of the Internal Revenue Code of 1954, as amended, were originally imposed in 1934, principally to protect domestically produced edible fats and oils in uses in which coconut oil is at present of little importance, such as in margarine. Although very little palm-kernel oil was used in margarine or shortening, it was subjected to the tax presumably because it could be substituted for coconut oil. Coconut oil is currently important in the manufacture of soap because of the superior lathering properties which the oils impart. Palm-kernel oil is used in the United States principally in edible products such as biscuits, crackers, and confectionery. Neither of the oils is made from materials produced in the United States. The principal use of palm oil in the United States is in the tinsplate industries where it serves to prevent oxidation in the plating baths. Imports for this use have been exempt from the tax since 1942.

H.R. 3796 of the 85th Congress proposed to repeal the 3-cent-per-pound processing tax on coconut oil. However, a provision for the suspension of the tax until July 1, 1960, only was included as section 3 of Public Law 85-235, approved August 30, 1957. The tax on palm oil and palm-kernel oil was also suspended until July 1, 1960, by Public Law 86-37, approved May 29, 1959. The reason for the suspension of the tax on the latter oils was that the suspension of the tax on coconut oil placed palm oil and palm-kernel oil at a competitive disadvantage, since such oils are used for the same general purposes as coconut oil and babassu oil (babassu oil was never made subject to tax).

H.R. 8649 proposes to continue the suspension of the tax through June 30, 1963. The Commission has not received any complaints regarding the suspension of the processing taxes on coconut oil, palm oil, and palm-kernel oil.

Sincerely yours,

JOSEPH E. TALBOT, *Chairman.*

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#### CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italic; existing law in which no change is proposed is shown in roman):

#### SECTION 3 OF THE ACT OF AUGUST 30, 1957

(71 Stat. 516; Public Law 85-235)

SEC. 3. The tax imposed under section 4511(a) of the Internal Revenue Code of 1954 shall not apply with respect to the first domestic processing of coconut oil, fatty acids derived therefrom, or salts



thereof, or of any combination or mixture solely because such combination or mixture contains a substantial quantity of such oil, fatty acids, or salts, during the period beginning with the first day of the first month which begins more than ten days after the date of the enactment of this Act and ending with the close of **[June 30, 1960]** *June 30, 1963*.

ACT OF MAY 29, 1959

(73 Stat. 64; Public Law 86-37)

AN ACT To suspend temporarily the tax on the processing of palm oil, palm-kernel oil, and fatty acids, salts, and combinations, or mixtures thereof

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the tax imposed under section 4511(a) of the Internal Revenue Code of 1954 shall not apply with respect to the first domestic processing of palm oil, palm-kernel oil, fatty acids derived therefrom, or salts thereof, or of any combination or mixture solely because such combination or mixture contains a substantial quantity of one or more of such oils, fatty acids, or salts, during the period beginning with the first day of the first month which begins more than 10 days after the date of the enactment of this Act and ending with the close of **[June 30, 1960]** *June 30, 1963*.

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86TH CONGRESS  
2D SESSION

Calendar No. 1270

# H. R. 8649

[Report No. 1233]

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## IN THE SENATE OF THE UNITED STATES

MARCH 3 (legislative day, FEBRUARY 15), 1960

Read twice and referred to the Committee on Finance

APRIL 5, 1960

Reported by Mr. BYRD of Virginia, without amendment

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## AN ACT

To continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That—

4                (1) Section 3 of Public Law 85-235 (71 Stat.  
5        516), approved August 30, 1957 (relating to the tem-  
6        porary suspension of the tax on the first domestic proc-  
7        essing of coconut oil) ; and

8                (2) Public Law 86-37 (73 Stat. 64), approved  
9        May 29, 1959 (relating to the temporary suspension of

1 the tax on the first domestic processing of palm oil,  
 2 palm-kernel oil, etc.),  
 3 are each amended by striking out "June 30, 1960" and in-  
 4 serting in lieu thereof "June 30, 1963".

Passed the House of Representatives March 2, 1960.

Attest:

RALPH R. ROBERTS,

*Clerk.*

Calendar No. 1270

86TH CONGRESS  
2D SESSION

**H. R. 8649**

[Report No. 1233]

## AN ACT

To continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

MARCH 3 (legislative day, FEBRUARY 15), 1960

Read twice and referred to the Committee on Finance

APRIL 5, 1960

Reported without amendment







# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF  
BUDGET AND FINANCE

(For Department  
Staff Only)

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For actions of April 11, 1960  
86th-2d, No. 66

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HIGHLIGHTS: Sen. Case, S. Dak., defended USDA expenditures on farm program. House committee reported (on Fri., Apr. 8) State-Justice appropriation bill.

## SENATE

1. LANDS; MINERALS. Passed without amendment S. 1268, to provide for notice to States owning surface lands in which minerals are reserved to the Federal Government of proposals to lease such minerals. p. 7316
2. FATS AND OILS. Passed without amendment H. R. 8649, to continue for 3 years the suspension of the tax on the first domestic processing of coconut oil, palm oil, and palm-kernel oil. This bill will now be sent to the President. p. 7324
3. TANNING EXTRACTS. Passed without amendment H. R. 9820, to extend for 3 years the period during which tanning extracts, including certain extracts, decoctions and preparations suitable for use for tanning, may be imported free of duty. This bill will now be sent to the President. p. 7324
4. CHICORY IMPORTS. Passed as reported H. R. 9307, to extend for 90 days, until July 16, 1960, the present suspension of the import duty on crude chicory and the reduction in the duty on ground chicory. p. 7324
5. RECLAMATION. Passed as reported S. 1092, to provide for the construction of the Cheney division, Wichita Federal reclamation project, Kan. pp. 7325-6

6. CIVIL DEFENSE. Passed as reported S. 2446, to make various amendments to the law authorizing the establishment of an Office of Civil Defense in the District of Columbia. pp. 7320-4
7. FARM PROGRAM; BUDGET. Sen. Case, S. Dak., stated that the "farmers of America are the victims of a big deception" by those who use the "total budget estimates for the Department of Agriculture as an amount of money Uncle Sam spends on farmers," stated that the "American consumers in general actually receive a larger share of the Federal funds spent each year in the name of agriculture than the farmers themselves," and referred to several programs in which others than the farmer receive the benefits. He also inserted a table on the breakdown of the budget figures for agriculture for the fiscal years 1960 and 1961, and a magazine article, "The Farmer's Side of the Case." pp. 7308-12
8. FOOD INSPECTION. Sen. Holland commended the Food and Drug Administration for "issuing an order staying the effective date of the basic order," pending a hearing, on standards of identity for orange juice and orange juice products when it was shown that the order would delay the shipment of such products during the next 2 months. pp. 7329-30
9. RESEARCH; HEALTH. Agreed to with an amendment S. Res. 255, to provide additional funds for the completion by the Government Operations Committee of its study of worldwide health and medical research. pp. 7330-39
10. WATERSHED PROJECTS. Passed over, at the request of Sen. Bartlett, H. R. 4781, to make the provisions of the Watershed Protection and Flood Prevention Act applicable to the 11 major watershed projects included in the watershed improvement programs authorized by the Flood Control Act of 1944. p. 7325
11. ORGANIZATION; PERSONNEL. Sen. McClellan submitted the report of the Government Operations Committee, "Organization of Federal Executive Departments and Agencies," which he stated included a chart showing in detail the organization structure of the executive branch and the number of employees assigned to its various functions (S. Rept. 1267). p. 7298
12. NOMINATIONS. The Finance Committee reported the nomination of Robert A. Forsyth to be an Assistant Secretary of Health, Education, and Welfare. p. 7298
13. LEGISLATIVE PROGRAM. Sen. Mansfield announced that the Treasury-Post Office appropriation bill will be considered Thurs., Apr. 14, "if it is ready." pp. 7296-7
14. ADJOURNED until Thurs., Apr. 14. p. 7348

#### HOUSE

15. APPROPRIATIONS. Reported (April 8 during recess) without amendment H. R. 11666, the State, Justice, Judiciary appropriation bill for 1961 (H. Rept. 1467) (p. 7361). The "Daily Digest" states that this bill will be considered by the House today (p. D296).
16. PESTICIDES. Reported without amendment H. R. 7480, to amend the Federal Food, Drug, and Cosmetic Act so as to provide that the term "chemical preservatives" shall not apply to a pesticide chemical when used in or on a raw agricultural commodity produced from the soil, and to require that shipping containers for raw agricultural commodities be labeled to indicate by name or



ditions, and to such extent as they may deem necessary or appropriate to effectuate the purposes of this title: *Provided*, That every such regulation shall cease to be effective on the ninetieth day after the effective date of such regulation or upon the effective date of any regulation of general application and dealing with the same subject matter issued by any agency of the United States.

"(i) **SHUTTING OFF UTILITIES SERVICES.**—To shut off, disconnect, or suspend service from or by, or require the shutting off, disconnection, or suspension of service from or by, gas mains, electric powerlines, or other utilities.

"(j) **DESTRUCTION OF CONTAMINATED PROPERTY.**—To destroy or cause to be destroyed any property, real or personal, in the District found to be contaminated by radioactive or poisonous substance, or contaminated by germs, viruses, or other matter deleterious to life or health, and, by reason of such contamination, dangerous to persons or property, and pending the time when any such contaminated property shall be rendered safe, to prohibit persons from contacting or approaching so close to such property as to endanger their lives or health.

"(k) **OTHER MEASURES FOLLOWING ATTACK.**—To take such other measures as are necessary following attack, including but not limited to, firefighting, rescue, medical, health and sanitation services, radiological monitoring, unexploded bomb reconnaissance, debris removal, and essential emergency repair or restoration of vital facilities.

"(l) **BURIAL OF DEAD.**—To provide for the burial of the bodies of human beings whose deaths are caused by or result from the occurrence of disaster contemplated by this Act and whenever the public interest is such as to require the same, the Commissioners may provide for the burial of such bodies in common graves.

"(m) **REQUISITIONING OF PRIVATE PERSONAL PROPERTY.**—To requisition, take possession of, and use privately owned personal property of whatever kind and nature or any rights therein as may in their opinion be necessary for the purposes of this Act and to ascertain and pay just compensation for such property or any rights therein to be determined as hereinafter provided. The Commissioners shall promptly determine the amount of compensation to be paid for any such property or the use thereof requisitioned pursuant to this Act but each such determination shall be made as of the time it is requisitioned in accordance with the provision for just compensation in the fifth amendment of the Constitution of the United States. If the person entitled to receive the amount so determined by the Commissioners as just compensation is unwilling to accept the same as full and complete compensation for such property or the use thereof he shall be paid promptly 75 per centum of such amount and shall be entitled to recover from the District in an action brought in the appropriate court within three years after the date of the Commissioners' award, an additional amount which, when added to the amount so paid to him, shall be just compensation.

"(n) **DISPOSAL OF PERSONAL PROPERTY.**—Whenever the need for the purposes of this Act of any personal property requisitioned under this title shall terminate, the Commissioners may dispose of such property under such terms and conditions as they deem appropriate, but to the extent feasible and practicable they shall give the former owner of any property so disposed of an opportunity to reacquire it (1) at its then fair value as determined by the Commissioners or (2) if it is to be disposed of (otherwise than at a public sale of which he is given reasonable notice) at less than such value, at the highest price any other person is willing to pay therefor: *Provided*, That such opportunity to reacquire need not be given in the

case of fungibles or items having a then fair value of less than \$1,000.

"SEC. 303. **NONLIABILITY OF DISTRICT AND OTHERS FOR DAMAGES.**—Neither the District nor any officer, agent, employee, or regularly appointed volunteer worker in the service of said District, nor any individual, receiver, firm, partnership, corporation, association, or trustee, or any of the agents thereof, in good faith and without willful or gross negligence carrying out, complying with, enforcing, or attempting to carry out, comply with, or enforce this Act or any order, rule, or regulation issued or promulgated pursuant to this Act, shall be liable for any damage sustained by any person, including volunteers, or property as the result of such activity. The provisions of this section shall not affect the right of any person to receive benefits to which he would otherwise be entitled under section 102 of this Act, or any workmen's compensation law, or under any pension, retirement, or disability law, nor the right of any such person to receive any benefits or compensation under any other Act of Congress.

"SEC. 304. **REMOVAL FROM DISTRICT.**—During such time as this title is in effect the Commissioners may order the government of the District, or any part thereof, its personnel and its property, removed from the District; and while outside the District the personnel are authorized to perform such duties as are assigned by the Commissioners or by the civil defense authorities of the State in which they are then located.

"SEC. 305. **OPERATIONS OUTSIDE THE DISTRICT.**—During such time as the District government is located outside the District the Commissioners shall continue to exercise the powers conferred upon them by this or any other Act: *Provided*, That such powers shall be exercised only over and with respect to the District of Columbia, property owned by the District of Columbia, or property owned by the United States and used by the District with the permission of the United States.

"SEC. 306. **OPERATIONS IN THE ABSENCE OF A QUORUM OF THE BOARD OF COMMISSIONERS.**—In the absence of a quorum of the Board of Commissioners, one Commissioner, or the Assistant to the Engineer Commissioner authorized to perform the functions of the Engineer Commissioner in his absence or disability, shall exercise all of the powers and perform all of the functions of the Board of Commissioners including, but not limited to, (a) making and adopting regulations, (b) approving contracts in excess of \$25,000, (c) appointing or removing the head of any agency responsible directly to the Board of Commissioners, (d) approving the budget for the District of Columbia, and (e) authorizing the performance of any of the Board's functions by any officer, employee, or agency of the government of the District of Columbia, except the courts thereof: *Provided*, That such Commissioner or such Assistant to the Engineer Commissioner shall not provide for the performance by any other officer, employee, or agency of the functions enumerated in (a) through (d) of this section.

#### "TITLE IV—MAJOR DISASTERS

"SEC. 401. **WHEN EFFECTIVE.**—The provisions of this title shall be operative only during a major disaster, as determined by the Commissioners to exist and as proclaimed by them with the approval of the President. The Commissioners shall announce the termination of a major disaster by a proclamation issued on their own initiative or upon direction of the President.

"SEC. 402. **POWERS AND DUTIES OF COMMISSIONERS.**—Whenever a major disaster has been proclaimed (a) there shall be vested in the Commissioners, in addition to the powers and duties which are now or may hereafter be vested in them, the powers and duties which would be vested in them as if title

III of this Act was in effect, and (b) all provisions of such title III shall, insofar as they are applicable, be operative as if they were set forth in this title.

#### "TITLE V—GENERAL PROVISIONS

"SEC. 501. **MOTOR VEHICLE SAFETY RESPONSIBILITY ACT INAPPLICABLE.**—During such periods of time that any privately owned motor vehicle is used by the District under the authority of this Act the operator thereof shall not be deemed or held to be the agent of the owner of such vehicle within the meaning of the Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954 (68 Stat. 120, ch. 222), as amended (title 40, ch. 4, D.C. Code, 1951 edition).

"SEC. 502. **NONLIABILITY OF PERSONS PERMITTING USE OF REAL PROPERTY AS SHELTER.**—Any person owning or controlling real property who, voluntarily and without compensation, grants to the District a license or privilege, or otherwise permits the District to inspect, designate, and use the whole or any part or parts of such real property for the purpose of sheltering persons during periods when title III of this Act is operative, or at any time for purposes of drilling persons in or familiarizing persons with emergency procedures, shall together with his successors in interest, if any, not be civilly liable for negligently causing the death of, or injury to, any person, or for loss of or damage to property of such person on or about such real property under such license, privilege, or other permission.

"SEC. 503. **DELEGATION OF AUTHORITY.**—The Commissioners are authorized to delegate to officers and employees of the District and to such other persons as the Commissioners deem appropriate such of the powers conferred upon them by this Act as they may determine and may by regulation provide for the subdelegation of any delegated power: *Provided*, That except when title III or title IV of this Act is in effect, the Commissioners shall not delegate the power to make regulations authorized by this Act.

"SEC. 504. **APPROPRIATIONS.**—Appropriations to carry out the purposes of this Act are hereby authorized.

"SEC. 505. **ACT OF MAY 21, 1951, AS AMENDED.**—The provisions of the Act approved May 21, 1951, as amended by the Act approved July 6, 1953 (Public Law 103, Eighty-third Congress), authorizing the appointment of a member of the Metropolitan Police Department or a member of the Fire Department, District of Columbia, to any position in any office or agency succeeding to the functions of the Office of Civil Defense (abolished pursuant to Reorganization Plan Numbered 5 of 1952) shall be applicable with respect to the Office of Civil Defense created by this amendatory Act.

"SEC. 506. **ARMED SERVICES.**—Nothing contained in this Act shall be construed as authorizing the Commissioners to direct or control in any manner the activities, personnel, installations, facilities, or equipment of the armed services of the United States, or any of the subordinate agencies of such armed services.

"SEC. 507. **Nothing in this Act shall be construed to amend or modify the provisions of the Federal Civil Defense Act of 1950, as amended, or the Act 'To authorize Federal assistance to States and local government in major disasters, and for other purposes', approved September 30, 1950 (64 Stat. 1109).**

"SEC. 508. **SEPARABILITY.**—If any provision of this Act or the application of such provision to any person or circumstance shall be held invalid, the remainder of the Act, and the application of such provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"SEC. 509. **REORGANIZATION PLAN NUMBERED 5 OF 1952.**—Except as otherwise provided in section 306 of this Act, this Act shall not be



considered as affecting the authority vested in the Commissioners by Reorganization Plan Numbered 5 of 1952 (66 Stat. 824; D.C. Code, title 1, appendix, 1951 edition, Supp. VI). Any function vested by this Act in any agency established pursuant to this Act or such plan shall be deemed to be vested in said Commissioners and shall be subject to delegation in accordance with section 306 of this Act.

"SEC. 510. SHORT TITLE.—This Act may be cited as the 'District of Columbia Civil Defense Act'."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

#### REGULATION OF FINANCE CHARGES FOR RETAIL INSTALLMENT SALES OF MOTOR VEHICLES IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H.R. 10683) to provide for the regulation of finance charges for retail installment sales of motor vehicles in the District of Columbia, and for other purposes.

Mr. HARTKE. Mr. President, as chairman of the subcommittee which handled hearings on a Seante companion bill to the pending measure, H.R. 10683, I want to say that this legislation will impose necessary curbs on a few unscrupulous used-car dealers and fly-by-night finance companies in the District of Columbia.

It has been the practice of these dealers and finance companies to prey every last dollar possible from those members of the public who patronize used-car lots. This legislation will permit the fixing of fair ceilings on finance charges and the bonding of used-car salesmen.

It will protect the unsuspecting citizens of the District of Columbia and the metropolitan area from the fast-talking salesmen who have preyed too long on the service men and women and the public in general here in the Nation's Capital city.

Likewise, Mr. President, may I say that I believe Miss Miriam Ottenberg, a staff correspondent of the Washington Evening Star, and her paper, deserve the plaudits of this city and the Congress for presenting the "Buyer Beware" series which focused attention on these unethical practices.

Mr. President, I request unanimous consent that an explanation of the bill, H.R. 10683, be inserted into the body of the RECORD at this point in my remarks.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

There is at present in the District of Columbia no regulation of the rate of finance charges made in connection with sales of motor vehicles on time, that is, sales of motor vehicles whereby any part of the purchase price is to be paid in installments. Although the District Commissioners, under authority vested in them by acts of Congress, have required motor-vehicle dealers to be licensed and to be regulated in respect to many phases of their activity, and although the Commissioners have authority to require the licensing of persons engaging in the business of financing installment sales of motor vehicles and to regulate their activities, the Commissioners are without author-

ity to fix and regulate the rates of finance charges made for installment sales of motor vehicles. The Commissioners also are lacking in authority to require bonds of motor vehicle dealers or of persons licensed to engage in the business of financing installment sales of motor vehicles.

Testimony during the hearings developed the fact that 30 or more States regulate finance charges made in connection with detail installment sales of motor vehicles.

The committee believes that with the enactment of this bill, together with the promulgation and enforcement by the Commissioners of stricter regulations governing the businesses of motor-vehicle dealers and financing of installment sales of motor vehicles, the evils prevailing in the District in connection with the installment selling of motor vehicles, can be dealt with properly.

The PRESIDING OFFICER. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

#### BILL PASSED OVER

The bill (S. 2131) to amend the Motor Vehicle Safety Responsibility Act of the District of Columbia, approved May 25, 1954, as amended, was announced as next in order.

Mr. BARTLETT. Over, by request.

The PRESIDING OFFICER. The bill will be passed over.

#### MANAGEMENT OF CERTAIN DISTRICT OF COLUMBIA CORPORATIONS

The bill (H.R. 9737) to amend the act of March 3, 1901, to eliminate requirement that certain District of Columbia corporations be managed by trustees the majority of whom are citizens of the District of Columbia was considered, ordered to a third reading, read the third time, and passed.

#### TEMPORARY SUSPENSION OF TAX ON FIRST DOMESTIC PROCESSING OF COCONUT OIL AND PALM OIL

The bill (H.R. 8649) to continue for a temporary period the existing suspensions of tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof was considered, ordered to a third reading, read the third time, and passed.

#### TEMPORARY FREE IMPORTATION OF CERTAIN TANNING EXTRACTS

The bill (H.R. 9820) to extend the period during which certain tanning extracts, and extracts of hemlock or eucalyptus suitable for use for tanning may be imported free of duty was considered, ordered to a third reading, read the third time, and passed.

#### SUSPENSION OF DUTY ON CERTAIN ALUMINA AND BAUXITE

The Senate proceeded to consider the bill (H.R. 9307) to continue for 2 years

the suspension of duty on certain alumina and bauxite, which had been reported from the Committee on Finance, with amendments, on page 1, after line 7, to insert a new section, as follows:

SEC. 2. (a) Section 1 of the Act entitled "An Act to suspend for two years the duty on crude chicory and to amend the Tariff Act of 1930 as it relates to chicory", approved April 16, 1958 (72 Stat. 87; 19 U. S. C. 1001, par. 776 and note), is amended by striking out "the two-year period beginning the day following the date of enactment of this Act" and inserting in lieu thereof "the period beginning April 17, 1958, and expiring at the close of July 16, 1960".

(b) Section 3 of such Act is amended by striking out "after the date of the enactment of this Act and prior to the expiration of two years after such date" and inserting in lieu thereof "after April 16, 1958, and prior to the close of July 16, 1960".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

The title was amended so as to read: "An act to continue for two years the suspension of duty on certain alumina and bauxite, and to extend until July 16, 1960, the suspension of duty on imports of crude chicory and the reduction in duty on ground chicory."

#### DELIVERY OF WATER TO LANDS IN CERTAIN IRRIGATION DISTRICTS, STATE OF WASHINGTON

The Senate proceeded to consider the joint resolution (S.J. Res. 162) authorizing the Secretary of the Interior during the calendar years 1960 and 1961 to continue to deliver water to lands, in certain irrigation districts in the State of Washington, which had been reported from the Committee on Interior and Insular Affairs, with an amendment on page 2, after line 2, to insert a new section, as follows:

SEC. 2. (a) There is hereby established a Board of two members appointed by the Secretary of the Interior, who shall have an intimate knowledge of irrigation farming and related economic factors, who are not officials or employees of the Department of the Interior and have no financial interest in the matters to be investigated by the Board. One of such members shall be selected by the Secretary from a list of not less than three qualified citizens submitted to the Secretary by the Governor of the State of Washington. The members of the Board shall select a Chairman. The Board shall make an investigation of all phases of the reclamation program on the Columbia Basin project, including repayment problems, the utilization of power revenues, and all related economic considerations, with particular reference to the repayment ability of water users. This investigation shall be for the purpose of recommending bases for amendatory repayment contracts between the project districts and the United States. The Board shall submit a report of its findings and recommendations to the Congress, through the Secretary of the Interior (with his comments) by February 1, 1961. Each member of the Board shall receive \$50 per diem, and reimbursement for travel, subsistence, and other necessary expenses when engaged in the performance of duties vested in the Board.





Public Law 86-432  
86th Congress, H. R. 8649  
April 22, 1960

AN ACT

74 STAT. 73.

To continue for a temporary period the existing suspensions of the tax on the first domestic processing of coconut oil, palm oil, palm-kernel oil, and fatty acids, salts, combinations, or mixtures thereof.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That—*

(1) Section 3 of Public Law 85-235 (71 Stat. 516), approved August 30, 1957 (relating to the temporary suspension of the tax on the first domestic processing of coconut oil); and

Coconut and  
palm oil, etc.  
Tax suspension.  
26 USC 4511  
note.

(2) Public Law 86-37 (73 Stat. 64), approved May 29, 1959 (relating to the temporary suspension of the tax on the first domestic processing of palm oil, palm-kernel oil, etc.), are each amended by striking out "June 30, 1960" and inserting in lieu thereof "June 30, 1963".

Approved April 22, 1960.









